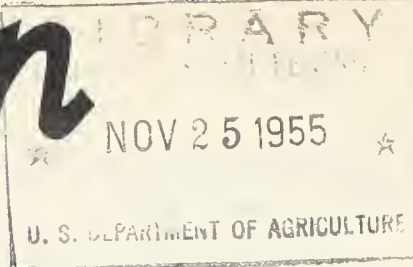


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Foreign



CROPS AND MARKETS

FOR RELEASE MONDAY, NOVEMBER 21, 1955

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UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D. C.

LARGE YUGOSLAV DRIED PRUNE
CROP INDICATED

The 1955 Yugoslav dried prune production will total 55,000 short tons, according to preliminary estimates released by the Yugoslav Government. This is the "on-year" for Yugoslav prune production, following the 1954 "off-year" production of only 9,200 tons. Production in 1953 was 50,000 tons, and in 1952, 900 tons.

Although it is estimated that at least 35,000 tons will be available for export, dried prune exports in 1955-56, according to trade sources, are not expected to exceed 25,000 tons. In 1953-54 (September-August), exports of dried prunes totalled 21,705 short tons and in 1954-55, 24,073 tons. Most of the 1954-55 exports were apparently 1953-crop prunes.

Market prospects for Yugoslav prunes have improved in consequence of improved relations between Yugoslavia and the Soviet bloc. Takings by countries behind the "Iron Curtain" have increased considerably this year. In the first 6 months of 1955, exports to the Soviet Union and Czechoslovakia totalled 5,267 tons, compared with only 179 tons in all 12 months of 1954.

Reports from the Republic of Germany indicate the prices of new-crop Yugoslav prunes as follows:

Sizes 95/100, 10 cents per pound. f.o.b. Yugoslav border
Sizes 100/120 9.1-9.5 cents per pound. f.o.b. Yugoslav
border

However, Yugoslav prunes are said to be priced differently for various countries. The Yugoslav Government uses varying exchange rates, depending on individual balance-of-payments situations.

FOREIGN CROPS AND MARKETS

Published weekly to assist the foreign marketing of U. S. farm products by keeping the nation's agricultural interests informed of current crop and livestock developments abroad, foreign trends in production, prices, supplies and consumption of farm products, and other factors affecting world agricultural trade. Circulation is free to persons in the U. S. needing the information it contains.

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U. S. RICE EXPORTS UP IN SEPTEMBER

United States rice exports in September of 1,509,000 bags (100 pounds) in terms of milled were up sharply from August exports of 423,000 bags, and were larger than 1,130,000 bags in September a year earlier. Ninety percent of exports went to three countries--57 percent to Japan, 24 to Cuba, and 9 to Indochina.

See tables, next two pages.

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IRANIAN DATE CROP SMALLER

The Iranian date harvest this year is now estimated at only 110,000 short tons, according to the most recent report from Tehran. The crop had been estimated earlier at 145,000 tons. If the most recent estimate is borne out, it would mean a considerably smaller crop this year than last, when an estimated 155,000 tons were harvested. The current crop, however, is reported to be of better than usual quality.

It is now expected that Iranian date exports in 1955-56 will not exceed 33,000 short tons. Exports in 1954-55 are believed to have totalled about 36,000 tons. In the first 4 months of the 1954-55 season (August 21 to December 21, 1954), Iran exported 27,178 tons of dates, of which 5,805 tons were shipped to the United States.

SWEDEN TO LICENSE IMPORTS OF U.S. APPLES

The Swedish government on November 11 announced that Jonathan and Winesap varieties of apples from the dollar area would be permitted to enter Sweden from December 5 onward. On and after January 1, 1956, all varieties will be permitted to enter Sweden.

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PHILIPPINE LIVESTOCK SITUATION

Present livestock numbers in the Philippine Republic are only 60 percent of the 1941 level of 1.6 million head. The Republic relies heavily on import of cattle from Australia, and meat products from Argentina and Australia. United States exports to the Philippine Republic are mainly meat spreads and sausages. Prospects of exporting United States variety meats (offals) for sausage making are considered fairly good. (See also Foreign Crops and Markets, July 18, August 29, and October 3, 1955.)

Table 1.-RICE: United States exports, by country of destination
and by classification, September 1955 ¹/₁

Country of destination	Rough		Milled		Total (in terms of milled)
	Unmilled	In terms of milled	Not over 25% whole	Over 25% whole	
	Bags	Bags	Bags	Bags	Bags
Western Hemisphere:					
Canada	6,792	4,415	9,743	14,355	28,513
British Honduras	0	0	1,000	2,000	3,000
El Salvador	0	0	0	2,000	2,000
Honduras	0	0	1,300	1,100	2,400
Nicaragua	0	0	0	1,000	1,000
Canal Zone	0	0	0	13	13
Bermuda	0	0	0	632	632
Cuba	675	439	6,500	360,837	367,776
Jamaica	0	0	0	37	37
Haiti	0	0	0	300	300
Netherlands Antilles	0	0	360	1,888	2,248
French West Indies	0	0	85	0	85
Venezuela	0	0	0	34	34
Total	7,467	4,854	18,988	384,196	408,038
Europe:					
Belgium and Luxembourg	0	0	31,970	0	31,970
Greece	0	0	0	116	116
German Republic	0	0	4,431	0	4,431
Sweden	0	0	330	4,255	4,585
Total	0	0	36,731	4,371	41,102
Asia:					
Indochina	0	0	0	133,539	133,539
Japan	0	0	0	861,031	861,031
Lebanon	0	0	0	44	44
Nonsei and Nonpo Islands, N.e.s.	0	0	0	200	200
Saudi Arabia	0	0	0	5,884	5,884
Total	0	0	0	1,000,698	1,000,698
Africa:					
Liberia	0	0	0	45,659	45,659
Union of South Africa	0	0	500	5,030	5,530
Total	0	0	500	50,689	51,189
Trust territory of the Pacific	0	0	1,200	5,540	6,740
Other	0	0	0	2/ 1,096:2/	1,096
Total world	7,467	4,854	57,419	1,446,590	1,508,863

¹ Preliminary

² Starting with January 1954, "other" includes shipments valued at less than \$500 each when the number of such shipments to a country is few.

Source: Bureau of the Census.

Table 2.--RICE: United States exports in terms of milled, to specified countries, September 1955, with comparisons 1/

Country of destination	August-July		August-September		September	
	1953-54:	1954-55:	1954	1955	1954	1955
	1,000	1,000	1,000	1,000	1,000	1,000
	<u>bags</u>	<u>bags</u>	<u>bags</u>	<u>bags</u>	<u>bags</u>	<u>bags</u>
<u>Western Hemisphere:</u>						
Canada	633:	560:	56:	60:	26:	29
British Honduras	17:	33:	3:	4:	2:	3
Honduras	3:	30:	2:	14:	2:	2
Haiti	2:	124:	1:	1:	1:	<u>2/</u>
Cuba	4,755:	3,391:	1,137:	532:	525:	<u>368</u>
Netherlands Antilles...	53:	38:	9:	6:	5:	2
Bolivia	5:	0:	0:	55:	0:	0
Colombia	314:	205:	77:	0:	66:	0
Venezuela	215:	84:	3:	<u>2/</u>	3:	<u>2/</u>
Other countries	30:	10:	1:	7:	0:	4
Total	6,027:	4,475:	1,289:	679:	630:	408
<u>Europe:</u>						
Belgium & Luxembourg...	206:	460:	95:	74:	72:	32
Greece	11:	5:	0:	<u>2/</u>	0:	<u>2/</u>
Ireland	0:	16:	12:	0:	9:	0
German Republic	29:	38:	2:	14:	2:	4
Netherlands	12:	71:	<u>2/</u>	0:	<u>2/</u>	0
Sweden	1:	72:	42:	5:	42:	5
Switzerland	57:	53:	18:	0:	6:	0
Other countries	24:3/	99:	2:	0:	1:	0
Total	340:	814:	171:	93:	132:	41
<u>Asia:</u>						
Indochina	0:	0:	0:	201:	0:	134
Korea, Republic of ... <u>4/</u>	590:	<u>2/</u>	0:	0:	0:	0
Japan	8,538:	4,125:	328:	863:	327:	861
Saudi Arabia	130:	136:	23:	9:	15:	6
Other countries	25:	36:	3:	<u>2/</u>	2:	<u>2/</u>
Total	9,283:	4,297:	354:	1,073:	344:	1,001
Total Oceania	17:	19:	2:	8:	1:	7
Liberia	67:	219:	56:	70:	22:	46
Other Africa	6:	10:	0:	7:	0:	5
Other	<u>5/</u>	8:5/	14:5/	2:5/	2:5/	1:5/
Total world	15,748:	9,848:	1,874:	1,932:	1,130:	1,509

1/ Includes brown, broken, screenings and brewers' rice, and rough rice converted to terms of milled at 65 percent. 2/ Less than 500 bags. 3/ Includes 58,000 bags to Trieste and 23,000 bags to Austria. 4/ Adjusted to include all programs of the Department of Defense and the International Cooperation Administration. 5/ Starting with January 1954, "other" includes shipments valued at less than \$500 each when the number of such shipments to a country in a given month is few.

Source: Bureau of the Census, except as noted.

AUSTRALIAN WOOL SALES,
WEEK ENDED OCTOBER 28, 1955

During the week ended October 28, 1955, wool sales were held in the following Australian markets: Newcastle, Goulburn, Geelong, and Perth. Prices for the best merino fleeces were reported as firm at all of the sales. Although the broader style wools were in strong demand, actual averages were from 1 to 2 pence per pound less (\$.0093 to \$.0186), clean basis.

At the Geelong market there was steady competition for lambswool and the best merino fleeces. Comeback (3/4-merino) and crossbred wools sold firm. European and British mills gave the most support to this market.

Newcastle reports that buyers continued to seek fine-quality merino fleece and skirtings. Competitive bidding on the Newcastle market was mainly by buyers from Japan, the Continent, and the United Kingdom.

Chief buyers in Goulburn were the United Kingdom, the Continent, and local mills. Prices for the better style merino wools tended in sellers' favor. Strong wools were in good demand at firm prices.

At Perth demand was fairly widespread but prices were in the buyers' favor and slightly easier than the previous sale.

Weekly average raw wool prices in US cents per pound clean basis were as follows for the various classes:

<u>Quality classification</u>	<u>Week ended</u> <u>Oct. 21, 1955</u>	<u>Week ended</u> <u>Oct. 28, 1955</u>	<u>Week ended</u> <u>Oct. 29, 1954</u>
	- - - - - U.S. cents per pound - - - - -		
<u>Combing wools</u>			
70's Good	128	128	161
Average	121	121	149
64's Good	111	111	142
Average	107	106	132
60's Good	100	99	128
Average	95	94	117
58's Good	92	91	115
Average	88	86	
56's Good	86	84	106
Average	82	80	
50's Good	76	75	96
Average	75	74	
<u>Carding wools</u>			
Merino	68	67	83
Comeback	62	62	77
Fine Crossbred	60	60	76
Medium Crossbred	59	59	75

BOLIVIA IMPORTS CEBU CATTLE FROM BRAZIL FOR BREEDING

In an effort to improve its livestock industry, Bolivia has tentatively planned to import 750 Cebu cattle from Brazil. Some 170 head have already reached the Beni district of Bolivia after a 750-mile overland drive. The rest of the animals will follow the same route. These cattle will be crossed with the native cattle of the Beni district to obtain more efficient production of meat. The Beni district is considered the principal cattle-producing region of the country.

ARGENTINE TRADE DEVELOPMENTS

Early Liquidation of Argentina's IAPI is Announced.--Announcement of early liquidation of the Instituto Argentino de Promocion del Intercambio (Argentine Trade Promotion Institute), commonly known as IAPI, has recently been made. This State Trading Agency controlled about 70 percent of Argentina's total exports in 1953, according to the annual report of the Agency. Over 90 percent of Argentina's exports are agricultural.

At the same time it was announced that controlled prices are to be abandoned in Argentina next year and minimum prices substituted. Also, as an incentive to greater agricultural production, prices to farmers for the 1955-56 crops have been increased above prices set earlier in the season.

New Regulations Affecting Argentine Trade.--According to a recent announcement, most imports into Argentina will be at the official exchange rate of 18 pesos per dollar or equivalent in other currencies with an import permit required. There is another list of imports, including automotive and industrial items, which can enter at the free-market rate. Some of the items on this second list are subject to a surcharge of 20 pesos per dollar.

The official rate of 18 pesos to the dollar will be applied to all of the principal export items, but these items will also be subject to withholding of 25 percent on raw wool, 15 percent on scoured wool, and 15 percent on meat and meat products, hides, cheese, butter, and casein. Exports not taking the official rate will be exported at the free rate, fluctuating at about 30 pesos to the dollar.

INDIA'S TOBACCO IMPORTS UP IN FIRST HALF '55

India's imports of unmanufactured tobacco in the first half of 1955 totaled 2.0 million pounds--up 47 percent from the 1.4 million pounds imported during the corresponding period of 1954. Takings of United States leaf increased about .8 million pounds and now represent 57.7 percent of total imports in contrast to only 30.3 percent for the same period last year. Takings from other sources declined about 11 percent from the first 6 months of 1954.

GERMAN CIGARETTE OUTPUT UP 14.4 PERCENT

According to information in Die Tabak-Zeitung (Tobacco Gazette-Mainz) of October 7, output of cigarettes in the Republic of Germany during the January-August period of 1955 totaled 29.4 billion pieces--up 14.4 percent from the 25.7 billion produced in the corresponding period of 1954.

Output of oriental-type cigarettes in August represented 16.9 percent of total production and this percentage has been relatively constant since last April. Production of filter-type cigarettes continues to rise and accounted for 10.0 percent of total production in August, whereas straight Virginia and dark-type cigarettes represented 1.3 and 2.8 percent, respectively.

CHILEAN TOBACCO IMPORTS LOWER

Chilean imports of unmanufactured tobacco in 1954 totaled .6 million pounds--down 12.4 percent from the .7 million pounds imported in 1953. Leaf imports account for only about 5 percent of the Chilean tobacco industry's annual requirements. Domestic acreage and production since 1953 have been larger and are expected to increase because of favorable prices paid for the domestic crop.

CHILE: Imports of unmanufactured tobacco by country of origin, 1952-54

Country of Origin	1952	1953	1954
	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
United States	218	222	226
United Kingdom <u>1/</u>	60	53	39
Cuba	300	418	343
Brazil	71	-	-
Other	1	1	-
Total	650	694	608

1/ Re-exports of Turkish tobaccos.

Source: Estadística Chilena.

Chilean leaf imports are comprised of Cuban Havana types, flue-, fire-cured, and Burley tobaccos from the United States, and small quantities of Turkish tobacco purchased from the United Kingdom. Imports of United States leaf have been limited not only by the dollar shortage, but also by the exchange rate. The amount of tobacco permitted to be imported is allotted as a quota of the foreign-exchange budget. During 1954 the exchange rate was 200 paper pesos per dollar, but since July the rate of 303 applies to all leaf tobacco imports.

UNION OF SOUTH AFRICA'S LEAF PRODUCTION
INSUFFICIENT TO MEET ANNUAL REQUIREMENTS

Leaf production in the Union of South Africa during 1954-55 totaled 30.5 million pounds, the smallest crop harvested since 1946-47. Total production declined about 43 percent since 1950-51. The decline has been greatest in the case of flue and light air-cured tobaccos.

UNION OF SOUTH AFRICA: Production of tobacco
by types, with comparisons

Type	1950-51	1951-52	1952-53	1953-54	1954-55
	Million	Million	Million	Million	Million
	pounds	pounds	pounds	pounds	pounds
Flue-cured	22.0	17.3	14.5	16.8	12.3
Light air-cured	12.0	7.4	3.0	2.5	3.2
Dark air-cured	18.0	18.5	21.6	14.2	14.2
Turkish	1.4	1.0	1.1	0.8	0.8
Total	53.4	44.2	40.2	34.3	30.5

Consumption of leaf tobacco has increased from 43.2 million pounds in 1951 to 47.9 million pounds during 1954, or an 8.8 percent increase. Consumption is expected to increase further in the future due to the rapid growth in population. The increase in usings reduced available stock from 74.1 million pounds on December 31, 1951, to 49.6 million on December 31, 1954. A further decline in stocks during 1955 is anticipated because the purchase from Southern Rhodesia will not offset the decline in production nor the increase in consumption.

UNION OF SOUTH AFRICA: Consumption of leaf tobacco
by types, with comparisons

Type	1951	1952	1953	1954
	Million	Million	Million	Million
	pounds	pounds	pounds	pounds
Flue-cured	19.8	19.0	19.0	19.9
Light air-cured	10.0	9.5	9.0	8.6
Dark air-cured	12.4	15.2	16.4	18.6
Turkish	1.0	0.9	0.8	0.9
Total	43.2	44.6	45.2	47.9

Consumption of tobacco products, except for cigars and roll tobacco, is increasing. Cigarette and pipe tobacco consumption is about 20 percent above the 1947-51 annual average, and together represents about 90 percent of total consumption.

CITRUS PROSPECTS
GOOD IN ISRAEL

Preliminary estimates indicate a citrus crop in Israel about 15 percent over last year's production, and only 5 percent below the record crop of 1953-54. Production estimates are as follows:

Type	<u>1954-55</u> - - 1,000 boxes - -	<u>1955-56</u> - -
Shamouti oranges.....	6,210	7,500
Valencia oranges.....	1,300	1,420
Grapefruit.....	1,520	1,600
Lemons.....	370	350
Tangerines, Clementines, and other citrus.....	<u>300</u>	<u>300</u>
Total.....	9,700	11,170

The Citrus Marketing Board hopes to maintain the high rate of exports, which amounted to about 73 percent of the crop last season.

The export goal of the Citrus Marketing Board by country of destination is as follows:

<u>Country of destination</u>	<u>Planned exports</u> <u>1,000 boxes</u>	<u>Country of destination</u>	<u>Planned exports</u> <u>1,000 boxes</u>
Great Britain and Eire.....	3,500	Switzerland	100
USSR.....	680	Yugoslavia	100
Sweden.....	600	Poland	100
Netherlands...	600	Austria	80
West Germany..	600	Rumania	50
Finland.....	500	Argentina	40
France.....	400	Canada	50
Denmark.....	400	Hungary	20
Belgium.....	300	Bulgaria	10
Norway.....	300	Other	<u>50</u>
Total			8,480

Improvement in marketing facilities for citrus is expected to make Israeli citrus much more competitive this season. Over 70 percent of the crop will be handled by 14 central packing houses, while 8 Brogdex stations will wash and wax fruit for export. It is expected that 1 million half-box cartons will be used in the export trade this season.

The Board faces the possibility that prices may average 5 percent less than last season, while production, handling and freight costs, including ocean freight, will be at least 10 percent higher.

U.S. EXPORTS OF ALFALFA SEED IN SEPTEMBER ABOVE '53 AND '54

United States exports of grass and legume seeds in September 1955 showed a 15-percent increase over the previous month, but were only slightly more than half of the comparable period last year. However, shipments of alfalfa amounted to 574 thousand pounds, compared with 494 thousand pounds in September 1954 and 401 thousand in September 1953.

"Other" grasses exports were down 80 percent from last year, but compared with the same month in 1953 showed an increase of more than 400 percent.

UNITED STATES: Exports of grass and legume seeds, September 1955, with comparisons

Kind of Seed	September		1954	1955
	1954	1955	(July 1 to Sept. 30)	(July 1 to Sept. 30)
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Alfalfa.....	494	574	757	1,424
Alsike.....	22	0	33	54
Other clover.....	44	176	148	440
Fescue.....	25	149	195	201
Ky. bluegrass.....	3	4	27	14
Orchard grass.....	0	0	0	15
Redtop.....	3	13	3	13
Timothy.....	0	10	0	46
Other grasses.....	2,579	518	5,254	871
Total.....	3,170	1,444	6,417	3,078

Compiled from official statistics of the Bureau of the Census.

MILK PRODUCTION INCREASES IN JAPAN

In the first 8 months of this year, fluid milk production in Japan amounted to nearly 1.5 billion pounds, about 7 percent over the same period of last year. If production continues at the same rate, total for the year will be almost 2.2 billion pounds. The total for August alone was 186.5 million pounds. These figures were recently released by the Japanese Ministry of Agriculture and Forestry.

Local production, however, cannot meet the demands of United States Forces in Japan and Korea, according to a recent Pacific edition of "Army Times." Five plants in Japan recombine anhydrous milk fat and nonfat solids from the United States to produce fluid milk, cottage cheese, and ice cream for United States troops in Japan and Korea.

The Japanese Government does not permit milk from these recombining plants to be sold to Japanese civilians. This ruling was made to placate Japan's small but vigorous milk-producing industry.

KRAFT BUYS MEXICAN DAIRY FIRM

The Kraft Food Company has purchased Lacteos Miravalle, S.A., a prominent dairy firm in Monterrey, Mexico, and will shortly start production there of the Kraft cheese line, according to a report from Monterrey. The Kraft products are well known in Mexico, but for the past 18 months importation of dairy products has been drastically reduced by placing them under import control and raising import duties.

SAN SALVADOR TO HAVE RECOMBINED-MILK PLANT

A company has been formed at San Salvador, El Salvador, under the name of Productos Lacteos, S.A., which will supply a recombined modified milk to San Salvador consumers. The product, to be marketed as "Super Leche Mellow" will be made from powdered milk supplied by the Golden State Milk Co., of California, and vegetable fats on order from Armour and Co. The machinery is of United States origin but the product will be marketed in cartons on order from the Continental Can Co., of Canada.

The plant, which is expected to begin operations soon, will have a capacity of 5,000 quarts an hour on a 24-hour basis. Only one fresh milk distributor in San Salvador is comparable in size to this operation.

BRITISH FLY MILK TO WEST AFRICA

About one-fifth of the fluid milk going through dairy plants in Liverpool, England, is sterilized; and one firm flies sterilized milk to West Africa, according to Dairy Industries, a British trade magazine.

The municipal health officer is quoted as stating that 14 pasteurizing plants are currently operating in Liverpool; a city with a population of about 800,000. Six of the plants are equipped with high temperature, short-time pasteurizers while eight have batch- or holder-type equipment. Of the 12,400 cwt. of milk handled each day about 2,600 cwt. is sterilized.

SCOTS PUSH FLUID MILK CONSUMPTION

A Scottish Milk Marketing Board "Milk-in-Industry" promotion, which was a casualty of World War II, has again been launched officially by the Board as part of an effort to increase consumption of fluid milk.

Aiding in the promotion is a "drink-more-milk" girl, the Scottish counterpart of American dairy queens. The Scottish Milk Publicity Council which includes members of the Milk Marketing Board and persons in the milk trade; has the main task of trying to boost consumption.

The new promotion was initiated this past summer at a private plant at Kilmarnock, Scotland. And a few days later a "Milk-in-the Mines" program was started at the National Coal Board's colliery at Manor Powis. Within 6 weeks, daily consumption at the colliery showed a sharp increase.

Annual per capita consumption of fluid milk and cream in the United Kingdom is 340 pounds, milk equivalent, only 7 pounds of which are consumed as cream.

SINGAPORE, BOMBAY GET DAIRY
EQUIPMENT UNDER COLOMBO PLAN

A milk reconstitution plant capable of turning out more than 1,000 gallons of milk an hour will be sent to Singapore from Australia, according to the Australian Minister of Foreign Affairs. The equipment is being presented under the Colombo plan.

Also, arrival of the first shipment of dairy equipment from New Zealand under the Colombo Plan has been announced in Bombay, India. The equipment is valued at \$550,000.

WORLD COTTON SUPPLY AND DEMAND

The world cotton supply and demand situation in 1954-55 was featured by a new record supply of 58.5 million bales ^{1/}, near record production of 38.3 million, record consumption of 36.6 million, and a decline of about 1 million bales in world trade. World production exceeded world disappearance (consumption plus destroyed) by 1.4 million bales, and world stocks were increased by that amount.

World supply for the 1955-56 season, based on preliminary production and stock figures, is estimated at 62.2 million bales or 3.7 million above that of a year ago. Assuming that last year's high level of disappearance will be maintained, there would be a further increase in world stocks by the end of the season to approximately 25.4 million bales.

In 1954-55, the excess in foreign countries of cotton disappearance over production amounted to about 3.3 million bales and apparently has narrowed to little more than 2.0 million for 1955-56. This excess of foreign disappearance plus or minus any changes in total cotton stocks abroad usually represents approximate export demand for United States cotton in years when foreign cotton is underselling United States cotton by wide margins, as in recent months. The effectiveness of United States export programs now in operation is limited by the disparity, now ranging as high as 6 cents a pound, between prices of most foreign growths and United States prices.

Production

World production in 1955-56, tentatively estimated at 40.5 million bales, is up 6 percent from last year's 38.3 million bales and is the highest estimate on record. The 1955-56 estimate exceeds last year's world disappearance (consumption plus destroyed) estimate by 3.7 million bales. This indicates a prospective increase of that amount in world stocks by the end of the current season. This calculation assumes that there will be no substantial change in world consumption this year.

United States production is up this year by 1.0 million bales (7.5 percent) despite an acreage restriction program that reduced the harvested area by 2.7 million acres, or 14 percent, from that of a year ago. The increase in production is attributed to a record yield of 431 pounds per harvested acre (November estimate). However, the crop of 14.6 million bales is 1.7 million less than in 1953-54, the last year of unrestricted acreage and 3.6 million less than the record crop of 1937-38.

Production in foreign countries has increased every year since the end of World War II, rising from 11.6 million bales in 1945-46 to a current level estimated at 25.9 million. The greatest increases occurred in the 5 years following the outbreak of war in Korea, when uncontrolled cotton prices in foreign countries rose (in 1950-51) to nearly triple the present level.

^{1/} All figures for United States cotton included in this report are in running bales. All others are in bales of 500 pounds gross weight.

Sharp increases in production have occurred in nearly all foreign countries where cotton cultivation is possible.

In the past 2 years, the greatest increases were in non-Communist foreign countries, where production rose by 21 percent -- from 13.8 million bales in 1953-54 to 16.7 million in 1955-56. An increase of only 15 percent in acreage during these 2 years indicates a substantial improvement in average yields per acre. The factors contributing most to the larger production abroad are new irrigation systems (especially in Mexico, Turkey, and other Near-Eastern countries), mechanization, greater use of insecticides, fertilizer and improved seed, and general adoption of improved methods of cultivation. Further increases in production are planned in most foreign cotton-growing countries, but with special emphasis on achieving higher yields rather than on increasing acreage.

Consumption

World consumption of cotton in 1954-55 established a record high of 36.6 million bales, an increase of 0.8 million over the revised estimate for 1953-54. Totals by continents show that 400,000 bales of the increase (1954-55 over 1953-54) occurred in North America and 100,000 each in Asia, Europe, South America, and the Soviet Union.

Totals for net exporting countries and net importing countries, shown separately, reveal a total increase of 900,000 bales for exporting countries (including 260,000 for the United States) while the total for the importing countries decreased by 100,000 bales (mainly in Japan).

Monthly consumption figures available for 23 foreign countries show declines of 5 to 10 percent in most major consuming countries since March or April 1955. The principal exceptions are India, Canada, and the Netherlands. The general decline is attributed partly to overproduction of textiles a year ago, but mainly to a policy of reducing yarn and textile production and stocks during recent months of declining cotton prices and to uncertainties regarding probable price trends in 1955-56.

Trade

World exports of cotton declined to 12.1 million bales in 1954-55 from 13.1 million in 1953-54. The greatest decreases were in exports from the United States of 300,000 bales, Pakistan nearly 300,000, Egypt 400,000, Brazil 400,000, Turkey 125,000, Argentina 100,000, and Anglo-Egyptian Sudan 100,000. Increases of nearly 400,000 bales were reported in exports from Mexico, 140,000 from Syria, Soviet Union 200,000 (estimated), and India 100,000.

See table, next two pages. Text continues, page 585.

Table I.--COTTON: Supply and demand, principal exporting countries, 1954-55

(Thousand bales of 500 pounds gross)										
Country	Beginning stocks 1/	Production	Imports	Total supply	Consumption	Destroyed 2/	Exports	Ending stocks 1/	Total distribution	
Mexico (July-June).....	80	1,780	1	1,861	420	5	1,276	160	1,861	
Nicaragua.....	10	205	-	215	5	5	110	95	215	
El Salvador.....	13	90	-	103	13	-	40	50	103	
Guatemala.....	9	40	-	49	12	-	30	7	49	
Argentina.....	425	530	10	965	463	2	125	375	965	
Brazil.....	1,200	1,630	-	2,830	965	15	1,020	830	2,830	
Paraguay.....	20	57	-	77	15	-	42	20	77	
Peru.....	265	510	-	775	80	25	330	340	775	
Other Western Hemisphere.....	5	14	2	21	6	-	10	5	21	
Anglo-Egyptian Sudan.....	200	407	-	607	5	4	298	300	607	
Belgian Congo.....	75	225	-	300	45	-	180	75	300	
British East Africa.....	50	354	-	404	1	-	353	50	404	
Egypt.....	485	1,598	-	2,083	360	2	1,081	640	2,083	
French Africa.....	108	195	13	316	27	-	192	97	316	
Nigeria.....	25	170	-	195	15	-	140	40	195	
Portuguese Africa.....	50	170	-	220	8	-	167	45	220	
Other Africa.....	1	12	-	13	-	-	12	1	13	
Afghanistan.....	7	90	-	97	20	2	35	40	97	
Burma.....	13	85	1	99	13	-	60	26	99	
Iran.....	20	275	-	295	73	-	207	15	295	
Pakistan.....	260	1,300	3	1,563	660	34	634	235	1,563	
Syria.....	7	365	-	372	36	-	322	14	372	
Turkey.....	125	650	-	775	375	-	250	150	775	
Other Asia.....	3	51	-	54	16	-	30	8	54	
Greece.....	16	190	8	214	112	-	68	34	214	
Foreign Free World.....	3,472	10,993	38	14,503	3,745	94	7,012	3,652	14,503	
United States 3/.....	9,728	13,589	4/	23,464	8,835	62	3,446	11,121	23,464	
Communist areas 5/.....	850	5,800	75	6,725	4,400	25	1,400	900	6,725	
Total exporting countries.....	14,050	30,382	260	44,692	16,980	181	11,858	15,673	44,692	
Total importing countries.....	5,726	7,918	12,017	25,661	19,660	48	250	5,703	25,661	
Afloat.....	450			450				300	300	
World total.....	20,226	38,300	12,277	70,803	36,640	229	12,108	21,676	70,653	

1/ Estimated for Southern Hemisphere countries include unginmed cotton. 2/ Includes figures for adjusting balance sheet.
 3/ Running bales. 4/ Excludes reexports. 5/ Estimates based on incomplete data.

Compiled from records of Cotton Division, Foreign Agricultural Service.

Table II.--COTTON: Supply and demand, principal importing countries, 1954-55

(Thousand bales of 500 pounds gross)

Country	Beginning stocks 1/	Production	Imports	Total supply	Consumption	Destroyed 2/	Exports and/or reexports	Ending stocks 1/	Total distri- bution
Canada.....	39	-	358	397	355	-	-	42	397
Chile.....	11	-	92	103	98	-	-	5	103
Colombia.....	53	122	15	190	150	-	-	40	190
Cuba.....	7	-	32	39	32	-	-	7	39
Uruguay.....	28	1	32	61	37	-	-	24	61
Other Western Hemisphere.....	12	27	20	59	48	-	-	11	59
Austria.....	31	-	96	127	107	-	-	20	127
Belgium.....	126	-	451	577	425	12	-	140	577
Denmark.....	9	-	38	47	40	-	-	7	47
Finland.....	29	-	62	91	61	-	5	25	91
France.....	330	-	1,334	1,664	1,263	11	-	390	1,664
Federal Republic of Germany.....	260	-	1,211	1,471	1,241	-	-	230	1,471
Italy.....	260	37	655	952	800	-	-	152	952
Netherlands.....	70	-	342	412	331	-	-	81	412
Norway.....	5	-	24	29	23	-	-	6	29
Portugal.....	42	-	211	253	214	-	-	39	253
Spain.....	110	95	330	535	390	-	-	145	535
Sweden.....	103	-	134	237	135	-	-	102	237
Switzerland.....	100	-	171	271	173	-	-	98	271
United Kingdom.....	875	-	1,489	2,364	1,760	19	15	570	2,364
Yugoslavia.....	9	7	184	200	150	-	-	50	200
Other Europe.....	2	-	12	14	12	-	-	2	14
Australia.....	25	4	87	116	89	-	-	27	116
French Indochina.....	2	2	3	7	5	-	-	2	7
Formosa.....	31	2	132	165	130	-	-	35	165
Hong Kong.....	45	-	220	265	218	2	-	45	265
India.....	1,800	4,250	493	6,543	4,110	4	219	2,210	6,543
Israel.....	6	3	28	37	28	-	3	6	37
Japan.....	520	-	2,040	2,560	2,135	-	-	425	2,560
Korea.....	23	75	180	278	220	-	-	58	278
Philippines, Republic of.....	3	-	6	9	8	-	-	1	9
Other Asia.....	17	46	44	107	88	-	5	14	107
Ethiopia.....	3	4	11	18	14	-	-	4	18
Southern Rhodesia.....	3	2	3	8	5	-	-	3	8
Union of South Africa.....	12	26	17	55	40	-	3	12	55
Foreign Free World.....	5,001	4,703	10,557	20,261	14,935	48	250	5,028	20,261
Communist areas 3/.....	725	3,215	1,460	5,400	4,725	-	-	675	5,400
Total importing countries.....	5,726	7,918	12,017	25,661	19,660	48	250	5,703	25,661
Foreign Free World(all countries):	8,473	15,696	10,595	34,764	18,680	142	7,262	8,680	34,764

1/ Estimates for Southern Hemisphere countries include unginned cotton. 2/ Includes figures for adjusting balance sheet.

3/ Estimates based on incomplete data or records for earlier years.

Compiled from records of Cotton Division, Foreign Agricultural Service.

The decline in world exports as a whole may be attributed mainly to a policy of hand-to-mouth buying and further reduction of stocks on the part of foreign importers and mills. Declining prices of most foreign growths and uncertainty regarding price outlook for 1955-56, especially in the United States, Brazil, and Egypt, also tended to discourage buying for import. Another contributing factor was the downtrend in mill consumption in many major consuming countries during the last 3 or 4 months of the season. Reduction in supplies available for export was also a contributing factor in Brazil, Pakistan, and Turkey, where increases in local consumption have been as great or greater than production increases.

Stocks

World cotton stocks rose from 20.2 million bales on August 1, 1954, to 21.7 million a year later, an increase of 1.5 million bales. Stocks in the United States on August 1, 1955, reported at 11.1 million bales, were up by 1.4 million, while stocks in non-Communist foreign exporting countries were up by 200,000. Changes in stocks, estimated for the Communist countries as a group and for non-Communist importing countries as a group, were insignificant.

The principal increases in foreign stocks were in India 400,000 bales, Peru 75,000, Egypt 155,000, and the Anglo-Egyptian Sudan 100,000. None of these countries are exporting cotton that is directly competitive with American Upland except for limited competition from Egyptian cotton (Ashmouni variety). Most of the other countries of the world, both exporting and importing, have reduced their stocks (apparently by about 550,000 bales) to a relatively low level, offsetting the greater part of the increases listed above. Most of the cotton produced or consumed in these foreign non-Communist countries (excepting the 4 listed above) is of American-Upland type.

On the basis of the above figures, it appears that stocks of American-Upland-type cotton in non-Communist foreign countries were reduced during the past year by around 500,000 bales. The countries where the greatest reductions in Upland-type stocks occurred are Brazil, the United Kingdom, and Japan.

Price Competition

Most foreign growths (Upland types) of cotton are currently being quoted on European markets as much as 6 cents a pound lower than those for similar qualities of United States cotton. On February 3, 1955, quotations from British sources showed these prices ranging from 0 to 2.5 cents below those for United States cotton.

Prices of most foreign growths began to weaken early in 1955, partly on the basis of anticipation that new United States export programs would be initiated to include cotton at reduced prices. Other factors that tended to depress cotton prices since that time were near-record stocks in the United States, early evidence of increasing 1955 crops in most major producing countries, some excessive stocks of yarns and textiles in cotton-importing countries, and weakening demand on textile export markets. These factors encouraged mill operators to reduce their output, liquidate excess inventories of yarns, textiles, and cotton, and go on a hand-to-mouth basis for cotton buying.

The current low level of foreign cotton prices has little relationship to quotations for United States cotton. Instead, it reflects growing export competition among foreign growths, quantities of which now available for export are about 1 million bales greater than in 1954-55. The sharp decline in prices of foreign growths in 1955 also reflects the efforts of foreign exporters to liquidate their holdings faster than usual in anticipation of possible reductions in export prices of United States cotton.

Synthetic Fiber Competition

World production of synthetic fibers in calendar year 1954 reached the equivalent of 11.7 million bales of cotton, and on the basis of incomplete data received in recent months the total for 1955 is expected to exceed the equivalent of 13.0 million bales. Expected production in 1955 is more than 55 percent greater than production in 1950 which was equivalent to 8.6 million bales. The bulk of increased synthetic fiber production has occurred in the rayon staple fiber category which may be substituted for cotton and can be mixed with cotton in spinning. World capacity by the end of the year 1956 is expected to exceed the equivalent of 17 million bales of cotton as compared to a capacity of 15.8 million bales in March of 1955. Practically all of the expansion in the total production of synthetic fibers that took place during the 1950-54 period was outside the United States. However, in 1955, production in the United States is expected to be substantially greater than the record of 1,499 million pounds reported for 1951 and 1953. The increase in foreign synthetic fiber production during 1950-54 was the equivalent of about 3 million bales of cotton and probably has had an adverse effect on market outlets for United States cotton.

Foreign-produced rayon staple fiber has a greater price advantage in the foreign fiber market than it has in the United States. On a net basis (i.e., after allowance for waste in cotton), prices of rayon staple fiber in some of the low-cost producing countries, such as the United Kingdom and Japan, are 25 to 40 percent below the landed cost of United States cotton, using quotations for SLM 7/8-inch to SM 1-1/16-inch in those countries for comparison. In most Western European countries the price advantage of rayon staple fiber over cotton ranges from 15 to 30 percent. Even with the price advantage of rayon staple fiber, total foreign cotton consumption has increased, primarily because of strong consumer preference for cotton textiles, and the increase in the total consumption of all fibers. (Cont'd., next page.)

Outlook

World production of cotton has exceeded world consumption every year since 1950-51, and present crop estimates indicate that 1955-56 world production may exceed anticipated world disappearance by about 2.8 million bales. On this basis, world stocks, estimated at 21.7 million bales on August 1, 1955, may be expected to be higher by about 2.8 million bales at the end of next July.

At the beginning of the current season, stocks in most importing countries (India excepted) were at or near minimum requirement levels and in exporting countries they were moderately low. Rebuilding of inventories in foreign importing countries, together with a continued high level of consumption, can be expected as soon as confidence in existing price levels is restored. However, complete restoration of confidence in the world price structure is unlikely as long as world production continues to outrun world consumption.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of U. S. Agricultural Attaches and other FAS representatives abroad.

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JAPAN'S COTTON IMPORTS IN 1954-55
DROP 16 PERCENT BELOW 1953-54

Cotton imports into Japan amounted to 2,037,000 bales (500 pounds gross) in the August-July 1954-55 marketing year, representing a drop of 16 percent from the 2,432,000 bales imported in 1953-54, but showing no appreciable change from the 2,055,000 bales imported in 1952-53. Imports from the United States in 1954-55 amounted to 753,000 bales or 37 percent of the total, as compared with 942,000 bales and 39 percent in 1953-54. Other major sources of Japan's cotton supply in 1954-55 were Mexico, Brazil, and Pakistan. Imports from Mexico and Brazil in 1954-55 were somewhat higher than in the previous year, while imports from Pakistan were considerably reduced. (See import table, opposite page.)

A further reduction of 50,000 bales in Japan's cotton imports in 1955-56 may result from the Government's action on September 29, 1955, to reduce the foreign-exchange budget for cotton imports for the second half of the Japanese fiscal year (October 1955-March 1956). This decrease reflects the continued cutback of mill operations as requested by the Government. This action is considered by the industry and Government as necessary to avoid overproduction during the current period of weak textile demand, both foreign and domestic; mill labor strikes; and increasing numbers of bankruptcies. The Government's request for curtailment of production was placed at 12 percent in May 1955, increased to 16 percent in August, and continued at 16 percent through December 1955. The Government policy to encourage use of man-made fibers for the domestic market is also seen as a limiting factor for future cotton imports.

JAPAN: Imports of cotton from major countries of origin; average 1935-39, crop years 1951-1954

(Equivalent bales of 500 pounds gross)

Country of origin	Crop year beginning August 1				
	Average	1951	1952	1953	1954
	1935-39				
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Argentina.....	1/	2.9	46.1	79.6	14.4
Brazil.....	202.5	45.3	29.9	210.5	244.9
British East Africa.....	66.1	22.5	30.9	21.4	10.2
Burma.....	1/	22.6	46.6	49.3	36.3
Egypt.....	139.7	42.4	34.6	92.7	76.2
India.....	1,250.5	47.0	171.3	67.8	83.1
Iran.....	1/	2/	19.0	61.8	26.2
Mexico.....	1/	147.6	503.2	475.7	439.1
Pakistan.....	3/	233.3	439.0	310.8	207.2
Paraguay.....	1/	0	11.1	1.7	8.9
Peru.....	1/	6.5	20.0	12.5	16.7
Sudan.....	1/	.1	12.4	1.3	1.5
United States.....	1,126.6	1,063.8	625.1	942.4	753.0
Other countries.....	4/ 391.2	6.7	15.5	5/ 104.0	6/ 69.7
Total.....	3,176.6	1,640.7	2,055.2	2,431.5	2,037.4

1/ If any, included in "Other countries". 2/ Less than 50 bales. 3/ Included in India. 4/ China 232.1. 5/ Turkey 49.3, Nicaragua 22.0, and Afghanistan 17.3. 6/ Nicaragua 24.7, El Salvador 23.5, and Afghanistan 14.8.

Source: Monthly Return of the Foreign Trade of Japan; All Japan Cotton Spinners Association.

Japan's cotton consumption in 1954-55 was estimated at 2,133,000 bales, a reduction of 12 percent from the 2,431,000 bales consumed in 1953-54. These figures include nonmill consumption of approximately 120,000 bales per year.

Cotton stocks in Japan on August 1, 1955, estimated at 425,000 bales, were down 18 percent from the 520,000 bales held a year earlier, thus indicating the adjustment to changed market conditions which was taking place prior to August 1, 1955.

Prices for United States cotton in Japan have shown little change throughout the 1954-55 year, whereas those for the foreign growths have shown quite a downward trend, particularly during the first 7 months of 1955. Quotations listed in the cable on the next page show the downward trend in prices of most foreign growths in 1954-55. (Text cont'd., p. 590.)

JAPAN: C.i.f. quotations for United States and foreign-grown cotton, averages for specified months, 1954-55

(in U. S. cents per pound)

Country of Origin	Quality	1954		1955		
		Aug.	Nov.	Feb.	May	July
United States.....	M 15/16"	38.52	37.28	37.80	37.20	37.67
Argentina.....	Type D	41.50	-	-	37.80	37.20
Brazil.....	Type 5	40.30	40.50	40.45	30.00	-
Burma.....	T/BCF	33.54	31.67	28.58	27.46	25.67
Egypt.....	Karnak FG	54.15	-	68.40	61.30	62.91
"	Giza 30	50.50	-	53.45	50.55	52.78
"	Ashmouni FG	50.00	50.35	52.50	47.05	49.93
India.....	Bengal	34.65	35.56	33.96	32.10	27.94
Mexico.....	SM 1-1/16"	39.25	39.34	40.20	38.79	37.36
"	M 1-1/32"	38.30	38.54	39.30	38.42	36.69
Pakistan.....	4FRG	34.71	37.38	32.67	32.43	28.87
"	NTRG	36.58	38.70	34.01	33.37	31.32
Paraguay.....	1/	40.20	38.85	39.00	38.80	38.45
Peru.....	Tanguis	47.20	48.97	-	42.30	36.19
Syria.....	1/	40.60	41.90	40.50	40.80	40.10
Turkey.....	1/	40.30	42.50	53.00	42.80	44.00
Uganda.....	SM	-	-	41.50	-	37.57

1/ Quality not shown on incoming report.

Source: Japan Cotton Traders Association.

JAPAN: Exports of cotton yarn and fabric by major destinations, August 1954-July 1955

Country of destination	Cotton yarn	Cotton fabric
	exports	exports
	million pounds	million square yards
Indonesia.....	9.9	115.9
United States.....	.2	100.0
United Kingdom.....	-	83.6
Pakistan.....	4.2	16.6
Burma.....	4.1	68.2
Thailand.....	-	83.2
Africa.....	-	73.6
Australia.....	-	68.3
Hong Kong.....	2.5	44.5
Eastern Germany.....	2.4	-
Malaya.....	-	62.5
Netherlands.....	-	52.2
Argentina.....	1.3	-
Iran.....	-	43.3
Venezuela.....	-	20.2
Others.....	3.6	305.8
Total.....	28.2	1,137.9

Source: Customs Division, Ministry of Finance, Japan.

Exports of cotton yarn and fabrics by Japan in 1954-55 showed only moderate reductions from the previous year, to indicate that most of the decline in sales of cotton textiles took place on the domestic market. Quantities of yarn exported in 1954-55, amounting to 28.2 million pounds, were almost identical with the 28.3 million exported in 1953-54. Exports of fabrics, however, amounted to 1,138 million square yards in 1954-55, a decline of 3 percent from the 1,177 million square yards exported in 1953-54.

Principal destinations of Japan's cotton yarn and fabric exports in 1954-55 were as shown on opposite page, lower table.

BELGIUM REDUCES IMPORTS OF U.S. COTTON IN 1954-55

Belgium's total cotton imports during the August-July 1954-55 marketing year amounted to 451,000 bales (500 pounds gross), 3 percent less than imports of 464,000 bales in 1953-54, but 20 percent higher than the 377,000 bales imported in 1952-53. Imports from the United States in this period, however, have dropped consistently from 114,000 bales or 30 percent of the total in 1952-53, to 101,000 bales and 22 percent in 1953-54, and in 1954-55 were down to 86,000 bales and 19 percent. (Text cont'd., next page.)

BELGIUM: Imports of cotton from major countries of origin;
averages 1934-38 and 1945-49; crop years 1952-1954;

(Bales of 500 pounds gross)						
Country of origin:	Year beginning August 1					
	Averages		1952	1953	1954	
	1934-38 1/	1945-49				
	1,000	1,000	1,000	1,000	1,000	
	bales	bales	bales	bales	bales	
Argentina.....2/	1	3/	23	27	25	
Belgian Congo.....	120	85	57	72	71	
Brazil.....	26	32	3/	36	21	
Egypt and Sudan....	17	12	16	32	20	
India & Pakistan....	154	48	44	22	32	
Mexico.....	3/ 2/	25	64	54	82	
Peru.....	8	18	30	27	27	
Turkey.....	3/ 2/	10	2	1	9	
United States.....	145	130	114	101	86	
Other countries....	35	2	27 4/	92 5/	78	
Total.....	506	362	377	464	451	

1/ Calendar years only available data. 2/ Two-year average. 3/ If any, included in other countries. 4/ U.S.S.R. 29,000 bales, Paraguay 10,000, Nicaragua 6,000. 5/ Paraguay 17,000 bales; Nicaragua 15,000, Syria 11,000, Guatemala 7,000.

Source: Bulletin Mensuel du Commerce avec les Pays Etrangers; Bulletin Mensuel du Commerce Extérieur; reports from Agricultural Attaches, and other U. S. representatives abroad.

Increased cotton imports by Belgium from Mexico, Brazil, and the Belgian Congo have been registered in the last 3 years, as those from the United States declined.

Cotton consumption in Belgium amounted to 425,000 bales in 1954-55, only 1 percent less than the 430,000 bales consumed in 1953-54. The amount of United States cotton consumed in Belgian spinning mills represented 16.4 percent of the 1954-55 total as compared with 16.8 percent in 1953-54.

Belgium's cotton stocks on August 1, 1955, were estimated at 140,000 bales or 11 percent higher than stocks of 126,000 bales a year earlier. Stocks of United States cotton, however, showed a sharp decline, amounting to 20,000 bales on August 1, 1955, compared with 30,000 bales held a year earlier.

Production of cotton yarn in Belgium in 1954-55 was reported at 248 million pounds or about 1 percent higher than the 246 million pounds produced in 1953-54. Production of fabrics in 1954-55 amounted to 169 million pounds or about 5 percent higher than the year before. A decline in fabric production was noted during the first 7 months of 1955.

PHILIPPINE OCTOBER COPRA EXPORTS HIGH FOR YEAR

Philippine copra exports during October set another monthly high for this year. Exports totaling 91,397 long tons were up 16 percent over the September total of 78,653 tons. Exports for the year to date were 659,012 tons, an increase of almost 4 percent over the 635,466 tons exported during the same period in 1954.

The country distribution of exports in October was as follows: United States--26,472 tons (Pacific--21,647, Atlantic--4,825); Belgium--2,500; Denmark--2,000; Germany--5,500; Italy--1,400; Netherlands--41,875; Europe unspecified--7,750; Lebanon--500; South America unspecified--3,400.

Exports of coconut oil were down to 7,404 tons in October, a drop of 17 percent from the previous month. The total for the year to date, however, was 60,476 tons, a gain of about 13 percent over the same period in 1954. Country distribution of coconut oil exports was as follows: United States--6,085 tons (Atlantic--5,781, Pacific--304); Europe unspecified--1,319 tons.

On a copra equivalent basis, Philippine exports of copra January through October totaled 755,006 tons, or about 5 percent more than in the same period in 1954.

In mid-November the copra export price was reported as \$150 per short ton, c.i.f. Pacific. Local buying prices were reported as ranging from 24.00 to 26.00 pesos per 100 kilos (\$121.93 to \$132.09 per long ton) resacada Manila and producing area.

WORLD PEANUT PRODUCTION EXPECTED TO SET NEW RECORD

World peanut production in 1955 is forecast at a record 12.1 million short tons on the basis of preliminary information now available to the Foreign Agricultural Service. This is an increase of 5 percent from the revised estimates of production during the past 2 years.

The most significant increase from 1954 occurred in the United States where production is estimated to be up 70 percent. Harvests in Africa, particularly French West and British West, also are expected to be considerably larger than last year. Production in India may be down slightly and Argentina's crop (harvested in the spring of 1955) was 16 percent below that of the previous year.

North American peanut production probably will be almost 60 percent larger than in 1954 because of the sharp expansion in United States output. Following the increase in acreage allotments and marketing quotas of 7.5 percent announced in May, United States farmers planted 2,034,000 acres to peanuts, for all purposes, of which an estimated 1,656,000 acres were picked and threshed -- an increase of 19 percent from last year. A favorable growing season resulted in a high outturn of 869,400 tons with a record yield per acre of 1,050 pounds. With production up 70 percent, supplies again will be plentiful for all purposes. Consequently, as of August 1, imports in the current season will be limited to the 1.7 million pounds permissible under the existing quota. Import restrictions were lifted from mid-May through July because of the shortage which developed following the small crop of 1954. Because of the increased production of peanuts, soybeans, and lard, total supplies of all food fats in 1955-56 will be about as large as last year's record quantity with the over-all increase in production offsetting the decline in stocks of food fats at the beginning of the crop year.

Mexico's peanut production is forecast at about the same as in 1954. A decline in yields resulting from excessive rains and floods offset the increase in area.

No material change is foreseen in Asia's peanut production. India's crop is estimated unofficially at 4,256,000 tons or only slightly less than the large harvest of 1954. India alone accounts for over one-third of the total world production. China's 1955 crops in general reportedly have been better than last year's and the peanut harvest probably amounted to at least 2.4 million tons. A crop of this size, however, would be one-fifth less than average prewar production of over 3 million tons.

In South America peanut production was down about 5 percent. The 6 percent increase in Brazil did not offset the 16 percent decline in the Argentine. The relatively small peanut crops of the past 2 seasons in Argentina together with the sharp reduction in sunflower seed output have resulted in a deficit supply of edible oils in that country.

See table, next two pages. Text continues, page 595.

[illegible]

PEANUTS (cont'd)

SOUTH AMERICA

Argentina.....	4/	207:	302:	433:	449:	368:	87.3:	136.1:	224.9:	187.1:	156.5
Brazil.....	-	-	200:	316:	334:	-	14.8:	85.0:	161.5:	176.0:	187.0
Paraguay.....	4/	29:4/	30:	-	-	-	19.4:	14.2:	-	-	-
Uruguay.....	5:	5:	23:	14:	15:	-	1.2:	7.5:	4.3:	6.2:	6.3
Total 5/.....	320:	573:	805:	805:	840:	800:	129.0:	251.0:	407.5:	386.5:	367.0

AFRICA

Anglo-Egyptian Sudan.....	43:4/	100:	73:	-	-	-	8.1:4/	20.2:	-	-	-
Belgian Congo.....	243:	484:	745:	732:	-	-	65.1:6/	159.8:	198.5:	206.6:	-
Tanganyika.....	277:4/	137:	210:	-	-	-	23.4:4/	26.0:	32.0:	-	-
Uganda.....	156:	338:	407:	-	-	-	78.3:	170.0:	-	-	-
Gambia.....	-	210:	-	-	-	-	58.1:4/	70.4:	62.8:	-	-
Egypt.....	23:	25:	32:	33:	-	-	17.2:	18.8:	26.8:	27.0:	-
French Equatorial Africa.....	4/ 2/	91:4/ 2/	17:	-	-	-	17.6:4/ 2/	17.0:	-	-	-
French Cameroon.....	279:4/	306:	289:	-	-	-	36.0:	67.3:	81.0:	-	-
French West Africa.....	10/ 3,185:11/	2,910:	3,165:	3,165:	-	-	785.0:11/	890.0:	990.0:	800.0:	990.0
Madagascar.....	14:	29:	67:	-	-	-	6.6:	8.1:	24.5:	-	-
Mozambique.....	-	-	-	-	-	-	42.9:	28.8:	-	-	-
Nigeria and Cameroons.....	-	-	-	-	-	-	600.0:11/	617.0:	950.0:	875.0:	950.0
Angola.....	18:4/	21:	-	-	-	-	6.2:4/	5.1:8/	5.2:8/	2.2:	-
Portuguese Guinea 8/.....	-	-	-	-	-	-	28.0:	40.7:	46.9:	-	-
Southern Rhodesia.....	-	122:	-	-	-	-	-	21.8:	60.6:	-	-
Union of South Africa 12/.....	56:4/	252:	378:	-	-	-	12.0:	39.6:	153.0:	216.0:	208.5
Total 5/.....	7,360:	7,865:	9,140:	9,270:	9,270:	9,270:	1,850.0:	2,244.0:	3,058.0:	2,857.5:	3,113.0

OCEANIA

Australia.....	4/	14:	28:	20:	38:	-	6.1:	16.2:	9.9:	20.9:	20.0
Total 5/.....	15:	30:	20:	20:	40:	40:	6.5:	16.5:	10.5:	21.5:	20.5

World total..... 22,335: 26,930: 28,060: 30,075: 29,920: 9,569.0: 10,810.0: 11,584.5: 11,517.5: 12,132.5

1/ Peanuts in the shell. Southern Hemisphere peanut crops, which are harvested from April to June, are combined with those of the Northern Hemisphere harvested from September through December of the same year. 2/ Figures refer to harvested areas as far as possible. 3/ Preliminary. 4/ Average of less than 5 years. 5/ Includes estimates for the above countries for which data are not available and for minor producing countries. 6/ One year only. 7/ Java and Madura only. 8/ Exports. 9/ Commercial crop. 10/ 1937. 11/ 1948-50. 12/ Production on European farms only.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of Agricultural Attachés and other United States representatives abroad, results of office research, and other information.

Prospects have been favorable for a high yield of peanuts in Africa this year. Production in this area of the world, which accounts for about one-fourth of the total output, is expected to be up possibly 10 percent from 1954. French West Africa's crop may attain the high level of 1953 when an estimated 990,000 tons were produced, thus exceeding the smaller outturn of 1954 by about one-fourth. Weather and other factors appear to have been more favorable than for the last crop. It is probable that about 440,000 tons (shelled basis) may be marketed in Senegal during next season (beginning about December 20) compared with only 293,000 tons marketed from the 1954-55 crop.

In Nigeria, present prospects likewise indicate that production will equal or possibly exceed the 950,000-ton estimate of 1953. This would represent an increase of 10 percent from last year. Purchases by the Nigerian Marketing Board are expected to be considerably larger than the 419,000 tons (shelled basis) purchased from last season's crop. Peanut production in the Union of South Africa increased from 12,000 tons prewar to 216,000 tons in 1954. Adverse weather, however, reduced the 1955 crop to 208,000 tons.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of Agricultural Attaches and other U. S. representatives abroad.

U. S. SOYBEAN EXPORTS AT ANOTHER RECORD HIGH: OIL EXPORTS DROP AGAIN

United States exports of soybeans and soybean oil during the crop year 1954-55 (October-September) were up one-fourth from the previous crop year to a total of 64.9 million bushels on a soybean equivalent basis. However, this total is still about 18 percent below the record of almost 79.2 million bushels soybean equivalent exported in 1951. Exports of soybeans, as such, were at a new record high of 60.2 million bushels, up about half from the previous record in the 1953-54 crop year. In contrast, exports of soybean oil (crude basis) at 52.5 million pounds were more than one-fourth less than the 1953-54 total and the lowest since the 1942-43 crop year.

The increase in soybean exports was due in large part to increased imports by Japan, Canada, the Republic of Germany, Israel, and the Netherlands. Also importing considerably larger quantities were Denmark, France, and Taiwan. Japan increased its imports to 20 million bushels, or roughly 25 percent more than 1953-54, while exports to Canada, Denmark, France, and Germany were, percentage-wise, increased even more. Israel imports were up from 54 thousand bushels in 1953-54 to 2.4 million bushels in 1954-55. Only the Free Territory of Trieste imported substantially fewer United States soybeans in 1954-55 than in the 1953-54 crop year.

Although soybean oil exports to Canada, Greece, and Cuba were up considerably, total exports of soybean oil continued to decline largely because of decreased imports by the Netherlands, the Republic of Germany, and Switzerland. The Netherlands reported no imports of United States soybean oil in 1954-55 after importing more than 20 million pounds in 1953-54. In contrast, Greece, which reported no imports in 1953-54, imported almost 9.5 million pounds in 1954-55. Large exports of cottonseed oil from CCC stocks during 1954-55 largely explain the reduced shipments of soybean oil. (See table, opposite page.)

UNITED STATES: Exports of soybeans and soybean oil
and total exports in soybean equivalent, crop years
October-September 1953-54, and 1954-55

Country of destination	1953-1954 <u>1/</u>			1954-1955 <u>1/</u>		
	Soybeans	Soybean oil <u>2/</u>	Total soybean equiva- lent	Soybeans	Soybean oil <u>2/</u>	Total soybean equiva- lent
	1,000 bushels	1,000 pounds	1,000 bushels	1,000 bushels	1,000 pounds	1,000 bushels
Canada.....	4,708	15,301	6,165	8,107	23,244	10,223
Cuba.....	3/	3,258	310	3/	5,614	512
Haiti.....	-	341	32	-	530	48
Mexico.....	-	192	18	3/	294	27
Netherlands Antilles..	-	4/ 6	4/3/	-	283	26
Panama, Republic of..	-	170	16	-	80	7
Chile.....	-	278	26	-	322	29
Colombia.....	-	32	3	-	829	75
Peru.....	-	-	-	-	7	1
Venezuela.....	-	148	14	-	354	32
Belgium-Luxembourg...	674	903	760	714	47	719
Denmark.....	612	-	612	2,886	-	2,886
Finland.....	-	-	-	164	-	164
France.....	881	413	920	2,370	1,064	2,467
Germany, Republic of..	4,821	19,992	6,725	8,143	3,185	8,433
Greece.....	-	-	-	-	9,426	858
Iceland.....	-	268	26	-	221	20
Italy.....	3/	423	41	30	-	30
Netherlands.....	5,885	20,796	7,866	7,308	-	7,308
Norway.....	559	-	559	816	-	816
Sweden.....	-	-	-	520	-	520
Switzerland.....	4/ 21	5,784	571	373	91	381
United Kingdom.....	1,563	901	1,649	1,794	105	1,804
Hong Kong.....	261	-	261	32	-	32
Israel.....	54	35	57	2,376	-	2,376
Japan.....	16,021	35	16,024	20,022	243	20,044
Korea.....	4/ 176	-	176	115	-	115
Philippines.....	129	11	130	59	45	63
Taiwan (Formosa).....	4/ 3,219	-	3,219	4,179	-	4,179
Algeria.....	22	119	33	104	-	104
French Morocco.....	-	1,478	141	19	4,854	461
Tangier.....	-	58	6	-	500	46
Union of South Africa:	-	655	62	-	489	45
Other countries.....	57 4/	408	4/ 99	18	629	75
Total.....	4/ 39,663	72,005	4/ 46,521	60,149	52,456	64,926

1/ Preliminary. 2/ Crude and refined oil in terms of crude oil. 3/ Less than 500 bushels. 4/ Revised.

Compiled from official sources.

WOOL: Production in specified countries, greasy basis,
averages 1936-40, 1946-50, annual 1952 to 1955 1/

Continent and Country	Averages		1952	1953	1954 2/	1955 2/
	1936-40	1946-50				
	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds	Million Pounds
NORTH AMERICA						
Canada.....	15.6	12.4	7.7	8.6	8.5	9.0
Mexico.....	10.3	11.4	13.2	12.8	9.0	8.8
United States.....	360.6	238.5	232.4	230.4	232.6	228.0
Shorn.....	64.7	46.5	33.6	42.2	43.5	-
Pulled.....	425.3	285.0	266.0	272.6	276.1	275.0
Total.....	450.0	310.0	290.0	295.0	295.0	295.0
Estimated Total 2/ 4/.....						
EUROPE						
France.....	37.1	30.6	41.9	46.3	48.5	50.0
Germany, Western.....	21.7	17.3	14.8	12.8	12.7	11.0
Greece.....	19.3	17.4	19.2	20.3	23.2	23.4
Ireland.....	17.2	13.1	15.4	16.5	17.5	18.5
Italy.....	30.4	30.2	35.0	33.7	32.8	30.9
Netherlands.....	6.1	5.4	6.5	6.5	6.5	6.5
Norway.....	5.9	6.4	7.8	7.9	8.0	8.0
Portugal.....	16.3	18.4	22.0	22.5	22.7	22.7
Spain.....	80.0	85.0	93.0	94.0	95.0	95.0
United Kingdom.....	110.1	81.2	102.0	105.0	108.0	106.0
Yugoslavia.....	34.7	30.0	33.2	34.6	36.7	36.3
Total Western Europe.....	390.0	345.0	400.0	410.0	425.0	420.0
Other Europe 5/.....	103.8	79.7	93.1	94.2	96.9	99.4
Estimated Total.....	490.0	425.0	495.0	505.0	520.0	520.0
(Excl. U.S.S.R.) 4/6/7/.....						
U.S.S.R. (Europe and Asia) 6/.....	310.2	311.5	400.0	400.0	390.0	410.0
ASIA						
Iran.....	36.3	29.3	36.6	37.5	38.6	40.8
Iraq.....	21.6	27.3	32.0	32.5	33.0	33.5
Syria.....	10.7	12.2	19.6	20.3	20.5	19.4
Turkey.....	67.7	70.7	77.9	81.6	79.7	79.4
Afghanistan.....	15.0	16.4	-	-	-	-
China 8/.....	88.0	75.0	-	-	-	-
India.....	9/ 72.9	51.8	51.0	51.0	51.0	51.0
Japan.....	-	-	4.5	5.3	8.3	9.0

ASIA (Cont'd)									
Pakistan	:	:	:	:	:	:	:	:	:
Estimated Total <u>4/ 10/</u>	345.0	26.4	30.0	30.0	400.0	400.0	28.0	400.0	28.0
SOUTH AMERICA									
Argentina	411.0	449.8	407.0	400.0	365.0	355.0			
Brazil	35.5	42.7	50.7	52.5	52.0	53.0			
Chile	32.6	42.3	44.1	39.7	38.6	39.0			
Falkland Islands	4.0	4.2	4.4	4.3	5.0	5.0			
Peru	19.4	18.8	19.8	20.1	20.3	20.0			
Uruguay	126.2	162.9	189.8	202.5	198.4	201.7			
Estimated Total <u>4/ 11/</u>	640.0	735.0	730.0	730.0	690.0	690.0			
AFRICA									
Algeria	22.6	16.2	28.0	29.0	26.0	26.0			
Egypt	7.5	6.7	7.0	8.0	8.0	8.0			
French Morocco	35.1	27.2	36.0	31.5	36.4	36.0			
Tunisia	12.0	9.9	11.0	12.3	11.8	12.0			
Union of South Africa <u>12/</u>	252.3	215.9	256.8	264.6	280.0	295.0			
Estimated Total <u>4/ 13/</u>	335.0	280.0	345.0	355.0	370.0	385.0			
OCEANIA									
Australia	1,051.9	1,060.0	1,281.1	1,244.0	1,288.0	1,331.0			
New Zealand	313.8	375.2	418.0	426.0	455.0	460.0			
Estimated Total <u>4/</u>	1,370.0	1,435.0	1,700.0	1,670.0	1,745.0	1,790.0			
Estimated World Total <u>4/</u>	3,930.0	3,850.0	4,350.0	4,350.0	4,410.0	4,485.0			

1/ For summary purposes wool produced mostly in the Northern Hemisphere is combined with that produced in the season beginning July 1 of October 1 of the same year in the Southern Hemisphere. Pulled wool is included for most countries at its greasy equivalent. 2/ Preliminary. 3/ Includes estimates for Newfoundland, Netherland West Indies, Guatemala, and El Salvador. 4/ Rounded to five millions. 5/ Includes the Iron Curtain Countries, (Albania, Bulgaria, Czechoslovakia, Hungary, Poland, Rumania and Eastern Germany). 6/ Based on present boundaries. 7/ Includes estimates for countries producing 2 million pounds or less, namely Belgium, Denmark, Iceland, Sweden, and Switzerland. 8/ Includes China Proper (22 provinces) Manchuria, Jehol, and Sinkiang (Turkestan). 9/ Includes Pakistan. 10/ Includes estimates for Afghanistan, Cyprus, Palestine, Transjordan, Outer Mongolia, Tibet, Nepal, and China. 11/ Includes relatively small production in Bolivia, Colombia, Ecuador, Paraguay, and Venezuela. 12/ Excludes karakul wool; includes Union of South Africa, Union Protectorate, and South West Africa. 13/ Includes estimates for Kenya, French West Africa, and Togo.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of Agricultural Attaches and other U. S. representatives abroad, results of office research and other information. Estimates for countries having changed boundaries have been adjusted to present boundaries except as noted. - June, 1955.

SPANISH ORANGE EXPORTS LIMITED BY INADEQUATE SHIPPING FACILITIES

Several factors are limiting export of Spanish oranges--a current export supply of more than 550,000 cases. There are not enough ships available to handle the increasing load, and there is a shortage of railway cars and motor trucks. Also, a wood shortage has caused a further rise in prices of shipping containers. No early solution is seen to these problems.

U.K. APPLE AND PEAR IMPORT QUOTAS

The OEEC (Organization of European Economic Cooperation) countries and their dependencies (which includes Italy, France, the Republic of Germany, Belgium, Denmark, and the Netherlands), and Chile are the principal countries covered by United Kingdom import licenses for apples and pears. The United Kingdom will grant licenses to import approximately \$7 million worth of apples, and more than \$6 million worth of pears from these countries in the first 6 months of 1956.

The original quota for United States apples in this period still stands at \$1.54 million, except that any unused portion from 1955 may be carried forward to this period. The United States pear quota of \$930,000 million covers the period Nov. 15, 1955, to June 30, 1956.

ARGENTINE CANARY GRASS SEED CROP FORECAST AT 70,000 TONS

The 1955-56 Argentine canary grass seed crop is estimated at 70,000 metric tons. However, prospects are being adversely affected by continued dryness.

This is the first crop of any size since 1950-51, when the harvest was estimated at 60,400 metric tons. The 1954-55 estimate was 13,400 metric tons.

L A T E N E W S

Production of dry beans in Mexico in 1955 is estimated at almost 8 million bags, the same as a year ago. Barring frost damage, the 1955 crop together with carryover stocks is expected to provide abundant supplies in 1956 and an exportable surplus estimated at almost 800,000 bags.

In the last several months bean prices, except for black beans, have advanced substantially in Mexico, and imports from the United States have increased. Bean consumption in Mexico appears to have increased about 8 percent annually during the last 6 years.

PUBLICATIONS RELATING TO U.S. FOREIGN AGRICULTURAL TRADE

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Agriculture, Washington 25, D. C.

Denmark Announces Further Trade Liberalization of U.S. Agricultural
Products. Foreign Ag. Circ. FATP-39-55

Per Capita Consumption of Dairy Products in 1954. Foreign Ag. Circ. FD-11-55

French Wheat Price Support Levels Same as Last Year. Foreign Ag. Circ.
FG-24-55

First Forecast Indicates Record World Corn Crop. Foreign Ag. Circ. FG-23-55

1955 Greek Currant, Raisin, and Dried Fig Crops Down. Foreign Ag. Circ.
FDF-12-55

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